- (1) Makes a grant to the project for the initial budget period; and
- (2) Indicates his or her intention to make contination awards to fund the remainder of the project period.

(Authority: 20 U.S.C. 1221e-3 and 3474)

§ 75.253 Continuation of a multi-year project after the first budget period.

- (a) The Secretary may make a continuation award for a budget period after the first budget period of an approved multi-year project if:
- (1) The Congress has appropriated sufficient funds under the program;
 - (2) The recipient has either—
- (i) Made substantial progress toward meeting the objectives in its approved application: or
- (ii) Obtained the Secretary's approval of changes in the project that—
- (A) Do not increase the cost of the grant; and
- (B) Enable the recipient to meet those objectives in succeeding budget periods;
- (3) The recipient has submitted all reports as required by §75.118, and
- (4) Continuation of the project is in the best interest of the Federal Government.
- (b) Subject to the criteria in paragraph (a) of this section, in selecting applications for funding under a program the Secretary gives priority to contination awards over new grants.
- (c)(1) Notwithstanding any regulatory requirements in 34 CFR part 80, a grantee may expend funds that have not been obligated at the end of a budget period for obligations of the subsequent budget period if—
- (i) The obligation is for an allowable cost that falls within the scope and objectives of the project; and
- (ii) ED regulations other than 34 CFR part 80, statutes, or the conditions of the grant do not prohibit the obligation.

NOTE: See 34 CFR 74.25(e)(2).

- (2) The Secretary may—
- (i) Require the grantee to send a written statement describing how the funds made available under this section will be used; and
- (ii) Determine the amount of new funds that the Department will make

- available for the subsequent budget period after considering the statement the grantee provides under paragraph (c)(2)(i) of this section or any other information available to the Secretary about the use of funds under the grant.
- (3) In determining the amount of new funds to make available to a grantee under this section, the Secretary considers whether the unobligated funds made available are needed to complete activities that were planned for completion in the prior budget period.
- (d)(1) If the Secretary decides, under this section, not to make a continuation award, the Secretary may authorize a no-cost extension of the last budget period of the grant in order to provide for the orderly closeout of the grant.
- (2) If the Secretary makes a continuation award under this section—
- (i) The Secretary makes the award under §§ 75.231-75.236; and
- (ii) The new budget period begins on the day after the previous budget period ends.
- (e) Unless prohibited by program regulations, a recipient that is in the final budget period of a project period may seek continued assistance for the project under the procedures for selecting new projects.

(Authority: 20 U.S.C. 1221e-3 and 3474)

[45 FR 22497, Apr. 3, 1980. Redesignated at 45 FR 77368, Nov. 21, 1980, as amended at 57 FR 30338, July 8, 1992; 59 FR 30261, June 10, 1994; 62 FR 40424, July 28, 1997]

CROSS REFERENCES: 1. See Subpart C—How to Apply for a Grant.

2. See §75.117 Information needed for a multi-year project; and §75.118 Application for a continuation award.

§ 75.254 [Reserved]

MISCELLANEOUS

§ 75.260 Allotments and reallotments.

- (a) Under some of the programs covered by this part, the Secretary allots funds under a statutory or regulatory formula.
- (b) Any reallotment to other grantees will be made by the Secretary in